

# **EXHIBIT 65**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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DEXIA SA/NV, DEXIA HOLDINGS INC., FSA  
ASSET MANAGEMENT LLC and DEXIA CREDIT  
LOCAL SA,  
  
PLAINTIFFS,

-against-

BEAR STEARNS AND CO., INC., THE BEAR  
STEARNS COMPANIES, INC., BEAR STEARNS  
ASSET BACKED SECURITIES I LLC, EMC  
MORTGAGE LLC (f/k/a EMC MORTGAGE  
CORPORATION), STRUCTURED ASSET MORTGAGE  
INVESTMENTS II, INC., J.P. MORGAN  
MORTGAGE ACQUISITION CORPORATION, J.P.  
MORGAN SECURITIES LLC (f/k/a JPMORGAN  
SECURITIES INC.), WAMU ASSET ACCEPTANCE  
CORP., WAMU CAPITAL CORP., WAMU MORTGAGE  
SECURITIES CORP., JP MORGAN CHASE & CO.,  
and JPMORGAN CHASE BANK, N.A.,

DEFENDANTS.

No. 12-cv-4761

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\*\*\*CONFIDENTIAL\*\*\*

DEPOSITION OF ROBERT MILLER

New York, New York

Friday, February 1, 2013

Reported by:

Rebecca Schaumloffel, RPR, CLR

Job No: 57722

1 R. MILLER

2 loans from third parties? 09:49AM

3 A. That was a very involved process. 09:49AM

4 Should I give you a summary? 09:49AM

5 Q. That would be great. 09:49AM

6 A. The process was that outside 09:50AM

7 originators would provide us with what were 09:50AM

8 known as bid lists or bids in comp. Phrase 09:50AM

9 that is I am happy to describe if need be. 09:50AM

10 But essentially they would offer pools of 09:50AM

11 loans that we would be -- we being my trading 09:50AM

12 deck would evaluate those loans and we would 09:50AM

13 determine a price and we would begin initial 09:50AM

14 discussions with the seller of those loans 09:50AM

15 and if it turned out to be, where we would 09:50AM

16 have the highest bid, sort of speak, we would 09:50AM

17 win that pool and that would bin the process. 09:51AM

18 That wasn't necessarily a real pool. It may 09:51AM

19 have been what was described as an indicative 09:51AM

20 pool and we would essentially be bidding on 09:51AM

21 parameters or characteristic of a pool to be 09:51AM

22 ultimately differed to us. And continuing 09:51AM

23 just in the summary, we would make 09:51AM

24 projections about prepays, expected losses, 09:51AM

25 projected execution and a securitization and 09:51AM

1 R. MILLER

2 we would evaluate the overall economics of 09:51AM  
3 that transaction when trying to determine 09:51AM  
4 what price to bid. I am happy to provide 09:51AM  
5 anymore details. 09:51AM

6 Q. I will ask you a few follow-up 09:51AM  
7 questions along that process. What was the 09:51AM  
8 intent or what was going to happen to these 09:51AM  
9 loans after you bought them? 09:52AM

10 A. Ultimately, they would be 09:52AM  
11 securitized. In the interim, they would be 09:52AM  
12 acquired, put into a quote unquote warehouse 09:52AM  
13 and then securitized. 09:52AM

14 Q. The intent of making the whole 09:52AM  
15 loan purchases from third parties was to 09:52AM  
16 ultimately securitize those loans, correct? 09:52AM

17 A. Yes, sir. 09:52AM

18 Q. During the process of receiving 09:52AM  
19 the bid list and conducting your evaluation 09:52AM  
20 and determining the price that you were 09:52AM  
21 willing to bid, did you, when I say you, I 09:52AM  
22 mean JP Morgan, conduct any due diligence on 09:52AM  
23 the pool at that time? 09:52AM

24 A. If by due diligence you are 09:53AM  
25 referring to a physical loan file review, no. 09:53AM

1 R. MILLER

2 if on an all in basis you can sell the -- you 10:02AM  
3 can sell it for a higher price than you 10:02AM  
4 bought it. 10:02AM

5 Q. What data from the loan tape 10:02AM  
6 would you use in your evaluation process? 10:02AM

7 A. Dozens if not hundreds of pieces 10:02AM  
8 of data. But typical ones that would be 10:02AM  
9 talked about would be on a loan level basis, 10:02AM  
10 loan to value, credit scores, geography, 10:02AM  
11 meaning the location of the home, and a 10:02AM  
12 number of other factors such as whether it 10:02AM  
13 was an owner occupied property, an investment 10:03AM  
14 property, what type of a property it was, and 10:03AM  
15 so on. 10:03AM

16 Q. Were each of those data points 10:03AM  
17 entered into the models that were used to 10:03AM  
18 evaluate the overall loan pool? 10:03AM

19 A. Yes. 10:03AM

20 Q. Did you ever not include those 10:03AM  
21 data points in the models when evaluating a 10:03AM  
22 pool? 10:03AM

23 A. My best recollection is that we 10:03AM  
24 always included those. 10:03AM

25 Q. Were of any those data points you 10:03AM

1 R. MILLER

2 identified more important than others? 10:03AM

3 A. There was certainly a hierarchy. 10:03AM

4 I am not sure more important is how I would 10:03AM

5 characterize it it. But there was some that 10:04AM

6 carried the heavier weight in the analysis 10:04AM

7 than others. But they were all important. 10:04AM

8 Q. Which of the data points carried 10:04AM

9 a heavier weight? 10:04AM

10 A. In general, my best recollection 10:04AM

11 is items such as loan to value, credit score 10:04AM

12 would be key points. The type of 10:04AM

13 documentation used would be a key point. 10:04AM

14 Geography would be a key point. The coupon 10:04AM

15 on the loan, the type of loans would all be 10:04AM

16 key points. But I can't say that one of them 10:04AM

17 was the most and others weren't and 10:04AM

18 vice-versa. They were all important. And 10:04AM

19 depending on the analysis of each pool, any 10:05AM

20 one of those factors could come into focus 10:05AM

21 more than others. 10:05AM

22 Q. Why was the type of documentation 10:05AM

23 a key point? 10:05AM

24 A. It -- well with the types of 10:05AM

25 documentation tended to be whether a 10:05AM

1 R. MILLER

2 borrower, what was known as full 10:05AM

3 documentation or limited documentation or 10:05AM

4 stated documentation and that came to my 10:05AM

5 attention as of when I first took this role 10:05AM

6 on working on securitizations. It was 10:05AM

7 driven, one, by -- as I learned it initially 10:05AM

8 from the rating agencies as they ascribed 10:05AM

9 different levels of risk to those different 10:06AM

10 documentation and I subsequently learned that 10:06AM

11 doing analysis slash research regarding 10:06AM

12 performance of loans, different types of 10:06AM

13 documentation -- sorry, different 10:06AM

14 documentation types had different overall 10:06AM

15 performance profiles. 10:06AM

16 Q. And would a limited documentation 10:06AM

17 loan have a higher risk than a full 10:06AM

18 documentation loan? 10:06AM

19 A. All other things being equal, to 10:06AM

20 the best of my memory, in most cases, it 10:06AM

21 would. 10:06AM

22 Q. And the rating agencies had 10:06AM

23 ascribed a different level of risk to each of 10:06AM

24 those documentation programs in running their 10:06AM

25 models; is that right? 10:06AM

1 R. MILLER

2 MR. PASKIN: Objection. 10:06AM

3 Objection to form. Calls for 10:06AM

4 speculation. 10:06AM

5 A. I am not sure. 10:06AM

6 Q. Let me back up. You testified 10:07AM

7 earlier that you became aware that the rating 10:07AM

8 agencies had ascribed different levels of 10:07AM

9 risk to each of these documentation types, 10:07AM

10 right? 10:07AM

11 A. Yes. 10:07AM

12 Q. How did you learn that? 10:07AM

13 A. Initially, there was a model that 10:07AM

14 was provided by the rating agency. By one 10:07AM

15 particular rating agency, called S S P. 10:07AM

16 Called S&P levels and that was essentially a 10:07AM

17 software that they would allow you as a 10:07AM

18 securitizer to use. Well, they sold it, the 10:07AM

19 software and it would give you an indication 10:07AM

20 as to what kind of losses and expectations it 10:07AM

21 it would be regarding a number of these 10:07AM

22 characteristics of the loans. And in using 10:07AM

23 the S&P the model, it would be -- you can 10:07AM

24 quantify that there were different 10:07AM

25 expectations regarding different 10:08AM



1 R. MILLER

2 loan pool, what would you have done? 10:29AM

3 MR. PASKIN: Objection to form. 10:29AM

4 A. I'm not certain how to answer. 10:29AM

5 It is very general. 10:29AM

6 Q. Does whether or not -- strike 10:29AM

7 that. Let me start over. Did you make any 10:29AM

8 assumptions in evaluating the underlying data 10:29AM

9 in the loan tape? 10:29AM

10 A. The word assumption took on a 10:29AM

11 particular meaning in the evaluation of 10:30AM

12 mortgage pools. So I would say it was a 10:30AM

13 market convention to use the word assumption 10:30AM

14 as a catch all for projections that were made 10:30AM

15 -- that were based on an analytical review. 10:30AM

16 So I would assumption in layman's terms is 10:30AM

17 not what we used. We did analysis and made 10:30AM

18 projections. At the risk of being re at the 10:30AM

19 time TIFF, those were often called 10:30AM

20 assumptions. So prepaid assumption, loss 10:30AM

21 assumptions. But I would not really 10:30AM

22 characterize them as a Websters dictionary 10:30AM

23 assumptions. 10:30AM

24 Q. Let me make sure I understand. 10:30AM

25 The assumptions were what was built into the 10:30AM

1 R. MILLER

2 model that was run to determine the overall 10:30AM  
3 price you were willing to pay for that pool 10:30AM  
4 of loans? 10:31AM

5 A. Once again, not the layman's 10:31AM  
6 interpretation of the word assumptions. 10:31AM  
7 Projection were developed based on analysis, 10:31AM  
8 based on prior performance that were 10:31AM  
9 characterized and moniker assumption was put 10:31AM  
10 on them. I would not say they were 10:31AM  
11 assumptions in the sense of oh, I just think 10:31AM  
12 this is going to happen. They were based on 10:31AM  
13 analytical reviews. 10:31AM

14 Q. Did you assume, for example, that 10:31AM  
15 the LTV ratios in the loan tape were 10:31AM  
16 accurate? 10:31AM

17 A. Now we are going back to the 10:31AM  
18 regular use of the word assume? 10:31AM

19 Q. I am trying to, yes. 10:31AM

20 A. I can't say that I assumed it. I 10:31AM  
21 don't think that would be a proper 10:32AM  
22 characterization. I think I would more say 10:32AM  
23 that to begin the analytical process, we used 10:32AM  
24 the initial information that was provided to 10:32AM  
25 us. But that was just to begin the process. 10:32AM

1 R. MILLER

2 we did not seek to verify the information. 10:37AM

3 Q. You relied on the accuracy of the 10:38AM

4 loan tape the originator provided to you? 10:38AM

5 A. We relied on the information 10:38AM

6 provided to us to determine a bid price 10:38AM

7 which, as we said earlier, was contingent on 10:38AM

8 ultimately verifying that the information was 10:38AM

9 correct. 10:38AM

10 Q. But in determining -- I 10:38AM

11 understand that you had the process after the 10:38AM

12 bid, and I am focusing on the process up 10:38AM

13 until the point you made your initial bid. 10:38AM

14 A. Um-hum. 10:38AM

15 Q. And the analysis and evaluation 10:38AM

16 up to that point with respect to the type of 10:38AM

17 documentation, you relied on the accuracy of 10:38AM

18 the representation from the originator in the 10:38AM

19 loan tape, correct? 10:38AM

20 MR. PASKIN: Objection; asked 10:38AM

21 and answered. 10:38AM

22 A. In order to develop a bid price, 10:38AM

23 we used the information provided in the bid 10:39AM

24 tape understanding that it would ultimately 10:39AM

25 be evaluated and verified by other groups. 10:39AM

1 R. MILLER

2 Q. You did not evaluate and verify 10:39AM  
3 the information prior to making the initial 10:39AM  
4 bid, correct? 10:39AM

5 A. We reviewed the information in 10:39AM  
6 the loan tape. We looked to see that 10:39AM  
7 mathematically, it made sense, the totals 10:39AM  
8 added up. There were not loan level 10:39AM  
9 inconsistencies. If by asking if we looked 10:39AM  
10 to validate the accuracy, if you are asking 10:39AM  
11 whether we looked at loan files, we did not. 10:39AM

12 Q. What did you do prior to the 10:39AM  
13 initial bid to verify that a full 10:39AM  
14 documentation loan included all the 10:40AM  
15 documentations necessary to qualify as a full 10:40AM  
16 documentation loan under that originator's 10:40AM  
17 guidelines? 10:40AM

18 MR. PASKIN: Objection. 10:40AM

19 A. Once again, the information 10:40AM  
20 provided to us was what was used to create an 10:40AM  
21 initial bid and then that information would 10:40AM  
22 subsequently be evaluated. 10:40AM

23 Q. And how would that information 10:40AM  
24 subsequently be evaluated? 10:40AM

25 A. Through a due diligence process. 10:40AM

1 R. MILLER

2 Q. That included a loan level review 10:40AM  
3 of the loan pool, correct? 10:40AM

4 A. To the best of my knowledge, yes. 10:40AM

5 Q. And that loan level review was 10:40AM  
6 your protections you described earlier to 10:40AM  
7 ensure that the information you were told on 10:40AM  
8 the loan tape was accurate, correct? 10:40AM

9 A. I don't believe I used the word 10:41AM  
10 protection. If I did, it strikes me as a 10:41AM  
11 little bit out of place. I would look at it 10:41AM  
12 as a validation. 10:41AM

13 Q. I am going rephrase the question 10:41AM  
14 and use your word so I don't put words in 10:41AM  
15 your mouth. The loan level review was your 10:41AM  
16 validation to ensure the information that 10:41AM  
17 were you told on the loan tape was accurate; 10:41AM  
18 is that correct? 10:41AM

19 MR. PASKIN: Objection to form. 10:41AM

20 A. The loan level review was the 10:41AM  
21 validation process in place that our desk 10:41AM  
22 relied upon for affirming the accuracy. 10:41AM

23 Q. Would you have made a bid on a 10:41AM  
24 pool of loans that did not have that 10:42AM  
25 validation process in place? 10:42AM

1 R. MILLER

2 A. To the best of my knowledge, I 10:42AM  
3 never made a bid or we never made a bid on an 10:42AM  
4 a pool of loans that did not have that in 10:42AM  
5 place. 10:42AM

6 MR. DeLANGE: Let's take a quick 10:42AM  
7 break. 10:42AM

8 THE VIDEOGRAPHER: This marks 10:42AM  
9 the end of tape number one; we are 10:42AM  
10 going off the record at 10:41 a.m. 10:42AM

11 (Whereupon, a recess was held.) 10:51AM

12 THE VIDEOGRAPHER: This marks 10:51AM  
13 the start of tape number two. We are 10:51AM  
14 back on the record at 10:50 a.m. 10:51AM

15 Q. Mr. Miller in conducting your 10:51AM  
16 evaluation of the data on the loan tapes in 10:51AM  
17 connection with determining your initial bid, 10:51AM  
18 did you have an expectation that the 10:51AM  
19 originator were following the underwriting 10:51AM  
20 guidelines they explained to you? 10:51AM

21 A. I generally had an expectation, 10:51AM  
22 sorry for this poor phrasing, they would 10:51AM  
23 generally be following their guidelines. But 10:51AM  
24 there was certainly within the industry an 10:51AM  
25 understanding that there could be some 10:51AM

1 R. MILLER

2 exceptions or there could be some loans that 10:51AM  
3 would be outside of guidelines. But the 10:52AM  
4 expectation would also be that there would be 10:52AM  
5 a reasonable explanation for that. 10:52AM

6 Q. And I believe in that situation, 10:52AM  
7 the reasonable explanation that you described 10:52AM  
8 earlier was -- I used the phrase compensating 10:52AM  
9 factors. I think you might have said 10:52AM  
10 mitigating factors. Is that what you 10:52AM  
11 referring to? 10:52AM

12 A. Yes, sir, I equate those. 10:52AM

13 Q. I will ask the Court Reporter to 10:52AM  
14 mark as Exhibit 615. 10:52AM

15 (Whereupon, Replace Exhibit 10:52AM  
16 Replace, replace was marked for 10:52AM  
17 identification as of this date by the 10:52AM  
18 Reporter.) 10:53AM

19 Q. Mr. Miller, I have handed you a 10:53AM  
20 Document 615 JPMC\_DEX\_008348623 through 8656. 10:53AM  
21 Mr. Miller, do you recognize this document? 10:53AM

22 A. The first one? 10:53AM

23 Q. The E-mail and then there is an 10:53AM  
24 attachment to the E-mail. Let's start, do 10:53AM  
25 you recognize the cover E-mail to this 10:53AM

1 R. MILLER

2 2006-dash H three. Do you see that? 02:00PM

3 A. Yes, sir. 02:00PM

4 Q. Is that refresh your recollection 02:00PM

5 that H three was in fact one of the deals 02:00PM

6 where you were including leftover loans from 02:00PM

7 the warehouse? 02:00PM

8 A. I do recall that the deals with 02:00PM

9 the designation HE were multiple originators 02:00PM

10 and we did look to include the loans that 02:00PM

11 were in the warehouse. The term leftover, I 02:00PM

12 would just characterize as a colloquialism, 02:00PM

13 saying to loans for whatever reason were not 02:00PM

14 included in the prior securitization. 02:00PM

15 Q. Who us minute Rivera or /OS man? 02:00PM

16 A. /OZ man worked -- worked /POR me 02:00PM

17 on the trading desk for a couple of years. 02:00PM

18 Q. O S M I N: And the E-mail at the 02:00PM

19 bottom of the string, Mr. Re very is says we 02:01PM

20 decided we want to include as many of the 02:01PM

21 loans that did not make it into some of our 02:01PM

22 prior deals in the upcoming JPM A C 2006-dash 02:01PM

23 H three deal. Do you see that? 02:01PM

24 A. Yes, sir. 02:01PM

25 Q. How did you determine what loans 02:01PM



1 R. MILLER

2 could go into an HE deal? 02:01PM

3 A. What made the HE deals different 02:01PM

4 than most of our other deals is that they 02:01PM

5 were put together from a -- from multiple 02:01PM

6 originators. So those deals were good 02:01PM

7 potential targets for including, if I can use 02:01PM

8 the common term one offs or loans that had 02:01PM

9 otherwise come into our possession, our 02:02PM

10 warehouse that hadn't previously been 02:02PM

11 securitized. As far as what this E-mail 02:02PM

12 seems to be bringing up is just the initial 02:02PM

13 review to determine what could be included in 02:02PM

14 the securitization. 02:02PM

15 Q. Would you include loans that had 02:02PM

16 EPD claims in the HE deals? 02:02PM

17 MR. PASKIN: Objection to form. 02:02PM

18 A. I can't say that I recollect what 02:02PM

19 reasoning at the point we would or wouldn't 02:02PM

20 have for including or not including EPD 02:02PM

21 claims. An EPD claim is something that we 02:02PM

22 have a right to claim but it is not something 02:02PM

23 that we have -- depending on the specific 02:02PM

24 contract or the specific negotiation, we may 02:03PM

25 have a right, not an obligation to claim it, 02:03PM

1 R. MILLER

2 and it is all, you know, try to deal with 02:03PM

3 EPD's in a measured and considerate manner 02:03PM

4 /TPH-PLT all case it is wasn't necessarily 02:03PM

5 black and white. And we would try and make 02:03PM

6 the best decisions possible with respect to 02:03PM

7 them: My recollection is in most cases we 02:03PM

8 tried to enforce EPD claims. 02:03PM

9 Q. Did you include any loans that 02:03PM

10 you had a /ERTD EPD claims on in the HE 02:03PM

11 securitizations? 02:03PM

12 A. I don't recall. 02:03PM

13 Q. Would that have been appropriate 02:03PM

14 to do so? 02:03PM

15 MR. PASKIN: Objection to form. 02:03PM

16 A. I don't recall what would or 02:03PM

17 wouldn't have been appropriate at the time. 02:03PM

18 Q. What's a basis for an EPD claim? 02:03PM

19 A. An EPD claim is where, when you 02:03PM

20 purchase a loan from a seller, it gives the 02:04PM

21 purchaser the right under some terms to 02:04PM

22 either put that loan back to the originator 02:04PM

23 or to otherwise receive some compensation for 02:04PM

24 the loan having some sort of a delinquency, 02:04PM

25 EPD /STAPDZ for early paid default. So 02:04PM

1 R. MILLER

2 sometime in the fault generally the first 02:04PM  
3 month, the first several months, after you 02:04PM  
4 take ownership of the loan. So one of the 02:04PM  
5 purposes would be that when you purchase a 02:04PM  
6 loan, if there was nonpayment by the 02:04PM  
7 borrower, that might be an indication that 02:05PM  
8 the loan was -- was riskier than you thought 02:05PM  
9 it would be and you would like to put it back 02:05PM  
10 to the borrower. That was not always the 02:05PM  
11 case. Sometimes the early payment default 02:05PM  
12 could be simply a matter of the funds being 02:05PM  
13 miss directed in terms of there might have 02:05PM  
14 been a servicing transfer or for some reason, 02:05PM  
15 the borrower did make a payment and it wasn't 02:05PM  
16 properly attributed to that borrower's 02:05PM  
17 account. So there could be EPD's related to 02:05PM  
18 purely credit related issues. There could be 02:05PM  
19 technical issues. It could be servicing 02:05PM  
20 transfer issues. There could be just 02:05PM  
21 misunderstandings. So in terms of how we do 02:05PM  
22 /WAO\* /TAOEL with EPDs, do the best we do to 02:05PM  
23 understand what the source of the EPD was and 02:06PM  
24 then deal with it in as pragmatic matter as 02:06PM  
25 practical. 02:06PM

1 R. MILLER

2 Q. Within the industry, EPDs were 02:06PM  
3 known to be a potential indicator of fraud, 02:06PM  
4 correct? 02:06PM

5 MR. PASKIN: Objection to form. 02:06PM

6 A. I would say that there was some 02:06PM  
7 general understanding in the industry that 02:06PM  
8 historically speaking, EPDs had been 02:06PM  
9 understood to be an indicator of potential 02:06PM  
10 bad performance. I do recall that the fraud 02:06PM  
11 -- that the levels of fraud began to increase 02:06PM  
12 during the timeframe 2005, 2006. But I don't 02:06PM  
13 know specifically that EPDs and fraud were 02:07PM  
14 correlated or to what extent they were 02:07PM  
15 correlated. 02:07PM

16 Q. Did you read any mortgage 02:07PM  
17 industry materials identifying the fact that 02:07PM  
18 EPDs were a potential indicator of fraud? 02:07PM

19 A. I was aware that they were a 02:07PM  
20 potential indicator of fraud. But I don't 02:07PM  
21 recall there being any specific levels of 02:07PM  
22 correlation, whether it was a very high 02:07PM  
23 indicator or locator. Whether it was 02:07PM  
24 specific to some originators, specific to 02:07PM  
25 some types. I just recall in that timeframe, 02:07PM

1 R. MILLER

2 it was 60 percent in cash and 40% in stock 04:17PM

3 that was deferred over roughly a three-year 04:17PM

4 period. 04:18PM

5 Q. What do you mean by the stock was 04:18PM

6 deferred over roughly a three-year period? 04:18PM

7 A. I received restricted stock which 04:18PM

8 had a vesting schedule over three years. I 04:18PM

9 don't recall the exact specifics. But I 04:18PM

10 believe it was a three-year for each of three 04:18PM

11 years subsequent. /(. 04:18PM

12 Q. And does that mean that under the 04:18PM

13 terms of the bonus or the terms of the 04:18PM

14 restricted stock, that you didn't actually 04:18PM

15 receive the value of all of that stock until 04:18PM

16 those three years had passed? 04:18PM

17 A. Yes. I could not convert it it 04:18PM

18 into cash. I could only -- it was only 04:18PM

19 designated to me in a restricted fashion. 04:18PM

20 MR. PASKIN: I have nothing 04:18PM

21 further. EXAMINATION BY. 04:18PM

22 MR. DeLANGE: 04:18PM

23 Q. Just a few followups. Mr. 04:18PM

24 Miller, did the -- did investors -- strike 04:19PM

25 that. Were investors provided the underlying 04:19PM

1 R. MILLER

2 loan files? 04:19PM

3 A. To the best of my knowledge, 04:19PM

4 investors did not ever have access to 04:19PM

5 underlying loan files. 04:19PM

6 Q. Mr. Paskin asked you about the 04:19PM

7 difference between the 45-year product and 04:19PM

8 the 50-year product. Do you recall that 04:19PM

9 testimony? 04:19PM

10 A. Yes, sir. 04:19PM

11 Q. And he asked if the information 04:19PM

12 regarding the 45 and 50-year products was 04:19PM

13 disclosed on the tape? 04:19PM

14 A. Yes, sir. 04:19PM

15 Q. And you indicated that was 04:19PM

16 disclosed on the tape? 04:19PM

17 A. To the best of my knowledge, that 04:19PM

18 would be disclosed on the tape. 04:19PM

19 Q. And it was your expectation that 04:19PM

20 those products were underwritten and 04:19PM

21 according to the guidelines that accompanied 04:19PM

22 those products, correct? 04:19PM

23 MR. PASKIN: Objection to form. 04:19PM

24 A. It would be my expectation that 04:19PM

25 all the legal compliance issues would be 04:19PM

1 R. MILLER

2 followed and that with the reasonable 04:20PM  
3 compensating factors, that these would be 04:20PM  
4 reasonable with respect to the guidelines of 04:20PM  
5 the originator. 04:20PM

6 Q. Did you ever personally 04:20PM  
7 communicate with investors regarding the 04:20PM  
8 marketing or attempt to sell JP Morgan RMBS, 04:20PM  
9 residence mortgage-backed securities? 04:20PM

10 A. Just as a point of clarification, 04:20PM  
11 the desk that I did was actually considered 04:20PM  
12 to be ABS, not RMBS. So, no, not RMBS. But, 04:20PM  
13 yes, with respect to the securitization of 04:20PM  
14 sub-prime mortgages, I did talk to potential 04:20PM  
15 investors. 04:20PM

16 Q. In connection with -- what's your 04:20PM  
17 distinction between ABS and RMBS? 04:20PM

18 A. Just trying to be technically 04:21PM  
19 right. Sub-prime mortgages are generally 04:21PM  
20 considered to be an ABS, an asset backed 04:21PM  
21 securitization product. Often, also, 04:21PM  
22 referred to as home equity ABS. While RMBS 04:21PM  
23 tends to be more associated prime mortgages 04:21PM  
24 or agency mortgages. 04:21PM

25 Q. What communications did you have 04:21PM

1 R. MILLER

2 with investors regarding the home equity 04:21PM

3 products? 04:21PM

4 A. Phone calls, face-to-face 04:21PM

5 meetings, usually -- usually a custom -- 04:21PM

6 usually with the sales force or introduced by 04:21PM

7 sales force to the customer. 04:21PM

8 Q. What information would you 04:21PM

9 provide to the investor? 04:21PM

10 A. I don't recall the specifics. 04:21PM

11 But in general, talking about the attributes 04:21PM

12 of a particular deal or speaking about how we 04:22PM

13 ran our program. 04:22PM

14 Q. Did you ever disclose to any 04:22PM

15 investor the results of the loan level due 04:22PM

16 diligence? 04:22PM

17 A. I don't recall specifically what 04:22PM

18 we didn't say -- did or didn't say to 04:22PM

19 investors. I do recall having conversations 04:22PM

20 saying that we did due diligence. I do 04:22PM

21 recall having conversations talking about who 04:22PM

22 the diligence parties were that we engaged 04:22PM

23 but not necessarily the specific diligence 04:22PM

24 party on a specific deal. But I don't recall 04:22PM

25 ever discussing the results per se that here 04:23PM



1 R. MILLER

2 is the diligence summary. But just talking 04:23PM

3 in general that all of our loan pools were 04:23PM

4 subjected to loan level due diligence. 04:23PM

5 Q. Did you ever have any 04:23PM

6 communications with anyone from financial 04:23PM

7 services asset management, FSA M? 04:23PM

8 A. I don't recall that acronym or 04:23PM

9 that name. 04:23PM

10 Q. Do you recall -- do you know who 04:23PM

11 Jake hendrickson is? 04:23PM

12 A. I don't recall that name. 04:23PM

13 Q. Do you know who Glenn So is? 04:23PM

14 A. Glenn so, no, I am sorry, I don't 04:23PM

15 know who that is. 04:23PM

16 MR. DeLANGE: I have nothing 04:23PM

17 further. 04:23PM

18 THE VIDEOGRAPHER: This 04:23PM

19 concludes the deposition. We are 04:23PM

20 going off the record at 422:00 P.M.. 04:23PM

21 (Whereupon, a recess was held.) 04:24PM

22 (Whereupon, at replace

23 ^ a.m. ^ p.m., the Examination of this

24 Witness was concluded.)

25